STATE OF NORTH CAROLINA WAKE COUNTY	FILED	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION FILE NO. 14CV007884
2014 : STATE OF NORTH CAROLINA e ROY COOPER, Attorney Geheral, S Plaintiff,		
v. TRANSPORTE MEDRANO INC.,	) ) )	
d/b/a MEDRANO EXPRESS; DIAMOND SHIPPING INC.; JORGE MEDRANO, individually a in his capacity as owner and manage	er )	
of TRANSPORTE MEDRANO INC DIAMOND SHIPPING INC.; TELMA AYALA, individually and in her capacity as manager and open of TRANSPORTE MEDRANO INC	rator )	PRELIMINARY INJUNCTION
Defendants	)	

THIS MATTER came on to be heard and was heard by the undersigned Judge presiding over the July 14, 2014 civil session of Wake County Superior Court upon plaintiff State of North Carolina's application for a Preliminary Injunction under N.C. Gen. Stat. § 75-14.

Plaintiff alleges that defendants have engaged in a pattern and practice of offering packaging and shipping services to consumers, requiring prepayment for these services, yet failing to deliver the packages. Plaintiff further alleges that defendants have fabricated excuses for such non-delivery, failed to return packages to the senders, and failed to reimburse consumers for the shipping and packaging costs and for the value of the contents of the packages. Plaintiff

further alleges that these acts and practices by defendants constitute unfair and deceptive practices in violation of N.C. Gen. Stat. § 75-1.1.

The Court, having reviewed the pleadings, affidavits and other exhibits filed in substantiation thereof, and having heard the arguments of counsel, finds that good cause exists for the entry of a preliminary injunction, as set forth below, enjoining defendants from acts and conduct in violation of N.C. Gen. Stat. § 75-1.1, pursuant to N.C. Gen. Stat. § 75-14. The Court further finds for the purposes of this order that:

- 1. The defendants were served with the summons and complaint in this action as follows:
  - (a) Transporte Medrano, Inc. d/b/a. Medrano Express was served on June 19, 2014;
  - (b) Jorge Medrano was served on June 19, 2014;
  - (c) Telma Ayala was served on June 19, 2014;
  - (d) Diamond Shipping, Inc. was served on June 19, 2014.
- 2. Defendants have been duly notified by U.S. Mail and email of the hearing on plaintiff's application for a preliminary injunction.
- 3. Plaintiff State of North Carolina, acting through its Attorney General, is authorized to bring this action and to seek injunctive relief on behalf of the State and its residents pursuant to N.C. Gen. Stat. §§ 75-1.1 and 75-14, and Rule 65 of the North Carolina Rules of Civil Procedure.
- 4. Plaintiff has made a sufficient showing that defendants have engaged in a continuing pattern of unfair and deceptive trade practices in connection with their business of offering and advertising packaging and shipping services to consumers.

5. Plaintiff has also made a sufficient showing that the public has suffered and will continue to suffer injury, and that the public interest will be adversely affected, unless defendants are restrained from engaging in their illegal and deceptive practices.

IT IS THEREFORE ORDERED that, pending final adjudication of this action in the trial court, defendants, together with defendants' respective officers, managers, employees, agents, servants, representatives, successors, assigns, independent sales or marketing contractors, and any others acting in concert with defendants who have knowledge thereof, are immediately and preliminary enjoined from:

- (1) engaging in unfair or deceptive acts or practices in the offering and conduct of delivery of packages, in violation of N.C.G.S. § 75-1;
- (2) advertising, offering, soliciting, or entering into contracts with North Carolina consumers for any product or service, including accepting advance payment from consumers for any product or service;
- (3) destroying, transferring, concealing, or altering or removing from their possession or control any financial records, customer contracts, e-mails or other correspondence, business records, and other documents of defendants;
- (4) transferring, withdrawing, concealing, disposing, or encumbering any of defendants' assets without permission of the Court; provided, however, that permission shall not be required if the plaintiff agrees in writing to the expenditures.

IT IS FURTHER ORDERED that defendants be required to produce within seven (7) days of entry of this Preliminary Injunction:

- (A) the name and address of every bank at which defendants maintain deposit, checking or other bank accounts, and the account number for each such account;
- (B) a statement of the current monetary balance in each such account held by defendants, together with a copy of the most recent bank statements for each such account;
- (C) current financial statements, showing the current assets and liabilities for
   Defendants;
- (D) a breakdown of accounts, if such accounts are segregated, showing what the accounts are for, e.g., whether the accounts are for payment of rent, payroll, or the like;
- (E) a list identifying: (1) names of all North Carolina consumers who contracted with Medrano to ship packages during the time period of January 1, 2011 through the date Medrano ceased operations in the State (the "packages"), together with all available contact information for these consumers; (2) invoice numbers for all packages shipped during this time period and the name of the customer for whom each invoice number corresponds; (3) whether the packages were delivered; (4) the date of such delivery; (5) the recipient; and (6) for all undelivered packages, where the packages are located;
- (F) the name and address of every location in North Carolina -- other than the

  Medrano stores located at 4646 Capital Boulevard in Raleigh and 6407 I South

  Boulevard in Charlotte -- where Medrano offered packaging/shipping services;

  and, for every such location, the name under which the services were offered if a

  name other than Transporte Medrano Inc. or Medrano Express was used.

## SO ORDERED, this the 14th day of July, 2014 at 10:20 a.m.